

IN THE UNITED STATES PATENT & TRADEMARK OFFICE

Neifeld Docket No: PIP-69B-KATZ

Application/Patent No: 09/828,122

USPTO CONFIRMATION NO: 5972

File/Issue Date: 4/9/2001

Inventor/Title: Katz/Paid Promotion Architecture

Examiner/ArtUnit: Rhetta/3622

ENTITY STATUS: Large

Priority claims: None

ENTITY STATUS: Large

Priority claims and PCT Intl data: US 60/256,324 filed December 19, 2000

ASSISTANT COMMISSIONER FOR PATENTS

ALEXANDRIA, VA 22313

37 CFR 41.37 APPEAL BRIEF

Sir:

In response to the non-final office action dated May 22, 2009 (hereinafter “office action”), the appellant files this appeal brief.

Table of Contents

I.	37 CFR 41.37 (a)(1) AND (2) - NOTICE OF APPEAL, BRIEF, AND FEES	1
II.	37 CFR 41.37(b) - DISMISSAL OF APPEAL IF BRIEF AND FEES UNTIMELY	1
III.	37 CFR 41.37(c)(1)	1
A.	37 CFR 41.37(c)(1)(i) REAL PARTY IN INTEREST	1
B.	37 CFR 41.37(c)(1)(ii) RELATED APPEALS AND INTERFERENCES	1
C.	37 CFR 41.37 (c)(1)(iii) -STATUS OF CLAIMS. A STATEMENT OF THE STATUS OF ALL THE CLAIMS IN THE PROCEEDING (E.G., REJECTED, ALLOWED OR CONFIRMED, WITHDRAWN, OBJECTED TO, CANCELED) AND AN IDENTIFICATION OF THOSE CLAIMS THAT ARE BEING APPEALED	1
D.	37 CFR 41.37(c)(1)(iv) STATUS OF AMENDMENTS FILED SUBSEQUENT TO FINAL REJECTION	2
E.	37 CFR 41.37(c)(1)(v) SUMMARY OF CLAIMED SUBJECT MATTER	2
F.	37 CFR 41.37(c)(1)(vi) GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL	6
G.	37 CFR 41.37(c)(1)(vii) ARGUMENT IN WHICH EACH GROUND OF REJECTION IDENTIFIED UNDER SECTION 37 CFR 41.37(c)(1)(vi) IS TREATED IN A SEPARATE SECTION	7
IV.	THE REJECTIONS OF CLAIMS 1-3, 11-19, 23, 27, 36, 44, and 48 UNDER 35 USC 112, FIRST PARAGRAPH, AS FAILING TO COMPLY WITH THE WRITTEN DESCRIPTION REQUIREMENT ARE IMPROPER AND SHOULD BE REVERSED	7
V.	THE REJECTIONS OF CLAIMS 1-3, 11-19, 23, 27, 36, 44, AND 48 UNDER 35 USC 112, SECOND PARAGRAPH, AS BEING INDEFINITE FOR FAILING TO PARTICULARLY POINT OUT AND DISTINCTLY CLAIM THE SUBJECT MATTER WHICH APPLICANT REGARDS AS THE INVENTION ARE IMPROPER AND SHOULD BE REVERSED	13
VI.	THE REJECTIONS OF CLAIMS 1-3, 11-19, 23, 27, 36, 44, AND 48 UNDER 35 USC	

102(b) AS BEING ANTICIPATED BY DEATON ARE IMPROPER AND SHOULD BE REVERSED	16
A. DEFINITIONS IN THE SUBJECT SPECIFICATION	17
B. DISCLOSED INVENTION	18
C. THE EXAMINER HAS NOT MADE A <i>PRIMA FACIE</i> CASE FOR THE REJECTIONS OF CLAIMS 1-3, 11-19, 23, 27, 36, 44, AND 48 UNDER 35 USC 102(b) AS BEING ANTICIPATED BY DEATON	21
D. DEATON DOES NOT DISCLOSE REQUIRING BOTH THE FIRST PROMOTION FOR A PRODUCT OF A CATEGORY FOR WHICH THE CONSUMER HAS NOT PREVIOUSLY PURCHASED, AND A SECOND HIGH RELEVANCE PROMOTION FOR A PRODUCT THE CONSUMER IS LIKELY TO PURCHASE, BE EXERCISED TOGETHER IN ORDER TO INCENT THE CUSTOMER TO PURCHASE THE FIRST PRODUCT	21
VII. THE REJECTIONS OF CLAIMS 1-3, 23, 27, 36, 44, AND 48 UNDER 35 USC 102(e) AS BEING ANTICIPATED BY AGGARWAL ARE IMPROPER AND SHOULD BE REVERSED	22
A. THE EXAMINER HAS ADMITTED THAT AGGARWAL DOES NOT DISCLOSE LIMITATIONS IN CLAIMS 1, 23, 36, 44, AND 48	22
B. AGGARWAL DOES NOT DISCLOSE PROMOTIONS FOR PRODUCTS OR PRODUCT CATEGORIES IN WHICH A CONSUMER HAS NEVER PURCHASED AS DEFINED IN CLAIMS 1 AND 23	23
1. WHAT AGGARWAL DISCLOSES	25
2. WHAT AGGARWAL DOES NOT DISCLOSE	26
a. AGGARWAL’S RECOMMENDATIONS LIST DOES NOT DISCLOSE EXERCISABLE PROMOTIONS	26
b. AGGARWAL DOES NOT DISCLOSE EITHER (1) LOW RELEVANCE PROMOTIONS OR (2) PROMOTIONS FOR PRODUCTS OR PRODUCT CATEGORIES IN WHICH A	

	CONSUMER HAS NEVER PURCHASED	28
VIII.	THE REJECTIONS OF CLAIMS 11-19 UNDER 35 USC 103(a) AS BEING UNPATENTABLE OVER AGGARWAL AND FURTHER IN VIEW OF HERZ ARE IMPROPER AND SHOULD BE REVERSED	32
A.	WHAT HERZ DOES NOT DISCLOSE	32
B.	NEITHER AGGARWAL NOR HERZ DISCLOSES THE LIMITATION “SAID FIRST PROMOTION” AS RECITED IN CLAIMS 11-19	33
C.	THE EXAMINER HAS NOT PRESENTED A MOTIVATION TO COMBINE AGGARWAL AND HERZ	34
VIII.	37 CFR 41.37 (c)(1) (CONTINUED)	35
H.	37 CFR 41.37 (c)(1)(viii) CLAIMS APPENDIX	35
I.	37 CFR 41.37 (c)(1)(ix) EVIDENCE APPENDIX	35
J.	37 CFR 41.37 (c)(1)(x) RELATED PROCEEDINGS APPENDIX	35
IX.	37 CFR 41.37 (c)(2)	35
X.	37 CFR 41.37 (d)	35
XI	37 CFR 41.37 (e)	36
	APPENDIX 1 - CLAIMS APPENDIX OF APPEALED CLAIMS	37

I. 37 CFR 41.37 (a)(1) AND (2) - NOTICE OF APPEAL, BRIEF, AND FEES

This brief sets forth the authorities and arguments on which the appellant will rely to bring the appeal.

The appellant files herewith (1) a Notice of Appeal and an Appeal Brief under 37 CFR 41.37(a)(1) and (2). The amount due is \$80, which is offset by the \$500 paid for a notice of appeal on June 27, 2006 and by \$500 paid for an appeal brief on June 27, 2006. The amount of \$80 remaining due for a notice of appeal and for an appeal brief as set forth in 37 CFR 41.37(a)(2) is being paid herewith via EFS credit card authorization.

II. 37 CFR 41.37(b) - DISMISSAL OF APPEAL IF BRIEF AND FEES UNTIMELY

The filing is timely. Accordingly, this subsection is not relevant.

III. 37 CFR 41.37(c)(1)

The brief contains items (i) to (x) of this subsection.

A. 37 CFR 41.37(c)(1)(i) REAL PARTY IN INTEREST

The real party in interest is Catalina Marketing Corporation, a Delaware corporation.

B. 37 CFR 41.37(c)(1)(ii) RELATED APPEALS AND INTERFERENCES

In docket number PIP-69A-KATZ; Application No. 09/776,714, filed February 6, 2001, an appeal brief was filed February 6, 2009. The appeal has not been docketed by the BPAI.

C. 37 CFR 41.37 (c)(1)(iii) -STATUS OF CLAIMS. A STATEMENT OF THE STATUS OF ALL THE CLAIMS IN THE PROCEEDING (E.G., REJECTED, ALLOWED OR CONFIRMED, WITHDRAWN, OBJECTED TO, CANCELED) AND AN IDENTIFICATION OF THOSE CLAIMS THAT ARE BEING APPEALED

Claims 1-3, 11-19, 23, 27, 36, 44, and 48 are pending, are rejected, and are appealed

herein. Claims 4-10, 20-22, 24-26, 28-35, 37-43, 45-47, 49-64 are cancelled.

**D. 37 CFR 41.37(c)(1)(iv) STATUS OF AMENDMENTS FILED
SUBSEQUENT TO FINAL REJECTION**

No amendment has been filed after final rejection.

E. 37 CFR 41.37(c)(1)(v) SUMMARY OF CLAIMED SUBJECT MATTER

Claim 1 defines a computer-implemented method for increasing the likelihood that a first promotion for purchase of an item of a first product or purchase of an item in a first product category will be exercised by a first consumer (page 3 lines 17-21), comprising: storing, with at least one processor, in a database in a computer memory, product purchase history information, wherein said product purchase history information indicates identification information for consumers associated with purchase of items of products by said consumers, such that each identification information for each consumer is associated with identification of previous purchase of items of products by that consumer (page 8 lines 2-14, page 10 lines 7-14, page 14 lines 2-3; Figure 1 elements 610, 611, 613, 614, 630, 634, 638; Figure 2 elements 616, 617, 660); storing, with said at least one processor, in a database in a computer memory, a plurality of promotions, wherein each one of said plurality of promotions includes in association with one another at least: promotion record identifier, promotion product identity, category of said promotion product, and value of promotion (page 11 lines 8-18; Figure 1 elements 610, 613, 634, 638); storing, with said at least one processor, in a database in a computer memory, promotion relevance criteria for determining relevance of promotions (page 11 lines 8-11, page 21 lines 1-15; Figure 1 elements 610, 613, 615, 616, 617, 630, 634; Figure 3a elements 710, 710d, 710e, 710g; Figure 9 elements 5100, 5200); determining, with said at least one processor, a first consumer first product category purchase determination, wherein said first consumer first product category purchase determination indicates whether said product purchase history information associated in a database with a first consumer identification information for said first consumer indicates prior purchase by said first consumer of either an item of said first product or of an item

in said first product category (page 15 lines 2-12, page 18 lines 8-13, page 20 lines 9-19; Figure 3a elements 710, 710c, 710d); only if said first consumer first product category purchase determination indicates no prior purchase by said first consumer of either an item of said first product or of an item in said first product category, storing, with said at least one processor, in a database in a computer memory in association with said first consumer identification information, said first promotion (page 17 line 28 through page 18 line 19, page 20 lines 9-19; Figure 5b element 760); determining, with said at least one processor, a second promotion selected from said plurality of promotions which has a relatively high relevance for said first consumer, using (1) said promotion relevance criteria, (2) said plurality of promotions, and (3) at least one of said product purchase history information for said first consumer, demographics information about said first consumer, and exercised promotions exercised by said first consumer (page 17 line 2 through page 18 line 5; Figure 1 elements 616, 618; Figure 3a elements 710, 710d, 710e; Figure 3b element 720; Figure 4a element 730; Figure 4b elements 740, 740c, 740d, 740e, 740f, 740g; Figure 5a elements 750, 750c, 750d, 750e, 750f, 750g; Figure 5b elements 760, 760c, 760d, 760e, 760f); and storing, with said at least one processor, said first promotion and said second promotion in association with said first consumer identification information (page 6 lines 21-27, page 10 lines 14-18, page 10 line 23 through page 11 line 7; Figure 1 elements 610, 611, 613, 614, 615, 616, 617, 618, 620, 632, 640, 642, 652; Figure 2 elements 660, 680, 682; Figure 5b element 760); providing, via an output device, said first promotion and said second promotion to said first consumer (page 11 lines 8-11; Figure 1 elements 610, 613, 630, 634); receiving, via at least one input device at a POS during a purchase transaction, said first consumer identification information, said first promotion, said second promotion, and product identifications of items of products being purchased (page 8 lines 2-13, page 9 lines 18-28, page 14 line 10 through page 15 line 28; Figure 1 elements 610, 611, 613, 614, 615, 616, 617, 618, 630, 634, 636, 638, 644; Figure 2 elements 670, 682; Figure 3a elements 710, 710c, 710d, 710e, 710f, 710g, 710h; Figure 3b element 720; Figure 4a element 730c); determining, with said at least one processor, during said purchase transaction, a promotion qualification indicating if a first product item associated with said first promotion and a second product item associated with

said second promotion have been received via said at least one input device at said POS during said purchase transaction (page 8 lines 2-13, page 9 lines 18-28, page 14 line 10 through page 15 line 28; Figure 1 elements 610, 611, 613, 614, 615, 616, 617, 618, 630, 634, 636, 638, 644; Figure 2 elements 670, 682; Figure 3a elements 710, 710c, 710d, 710e, 710f, 710g, 710h; Figure 3b element 720; Figure 4a element 730c; Figure 5a element 750; Figure 7 elements 5210, 5220, 5230, 5240); and only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device at said POS during said purchase transaction, with said at least one processor, deducting from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion (page 4 lines 25-26, page 9 lines 13-28, page 16 line 11 through page 17 line 1, page 30 lines 12-28; Figure 1 elements 611, 613, 614, 615, 616, 617, 618, 619; 634, 644; Figure 3b element 720b; Figure 4a elements 730, 730c, 730d, 730e, 730f, 730g, 730h; Figure 4b element 740; Figure 10 elements 801, 802, 813, 815, 816).

Claim 23 defines a computer system for increasing the likelihood that a first promotion for purchase of an item of a first product or purchase of an item in a first product category will be exercised by a first consumer (page 3 lines 17-21), comprising: at least one processor, for storing, in a database in a computer memory, product purchase history information, wherein said product purchase history information indicates identification information for consumers associated with purchase of items of products by said consumers, such that each identification information for each consumer is associated with identification of previous purchase of items of products by that consumer (page 8 lines 2-14, page 10 lines 7-14, page 14 lines 2-3; Figure 1 elements 610, 611, 613, 614, 630, 634, 638; Figure 2 elements 616, 617, 660); said at least one processor, for storing, in a database in a computer memory, a plurality of promotions, wherein each one of said plurality of promotions includes in association with one another at least: promotion record identifier, promotion product identity, category of said promotion product, and value of promotion (page 11 lines 8-18; Figure 1 elements 610, 613, 634, 638); said at least one processor, for storing, in a database in a computer memory, promotion relevance criteria for

determining relevance of promotions (page 11 lines 8-11, page 21 lines 1-15; Figure 1 elements 610, 613, 615, 616, 617, 630, 634; Figure 3a elements 710, 710d, 710e, 710g; Figure 9 elements 5100, 5200); said at least one processor, for determining, a first consumer first product category purchase determination, wherein said first consumer first product category purchase determination indicates whether said product purchase history information associated in a database with a first consumer identification information for said first consumer indicates prior purchase by said first consumer of either an item of said first product or of an item in said first product category (page 15 lines 2-12, page 18 lines 8-13, page 20 lines 9-19; Figure 3a elements 710, 710c, 710d); said at least one processor, for storing, only if said first consumer first product category purchase determination indicates no prior purchase by said first consumer of either an item of said first product or of an item in said first product category, in a database in a computer memory in association with said first consumer identification information, said first promotion (page 17 line 28 through page 18 line 19, page 20 lines 9-19; Figure 5b element 760); said at least one processor, for determining, a second promotion selected from said plurality of promotions which has a relatively high relevance for said first consumer, using (1) said promotion relevance criteria, (2) said plurality of promotions, and (3) at least one of said product purchase history information for said first consumer, demographics information about said first consumer, and exercised promotions exercised by said first consumer (page 17 line 2 through page 18 line 5; Figure 1 elements 616, 618; Figure 3a elements 710, 710d, 710e; Figure 3b element 720; Figure 4a element 730; Figure 4b elements 740, 740c, 740d, 740e, 740f, 740g; Figure 5a elements 750, 750c, 750d, 750e, 750f, 750g; Figure 5b elements 760, 760c, 760d, 760e, 760f); and said at least one processor, for storing, said first promotion and said second promotion in association with said first consumer identification information (page 6 lines 21-27, page 10 lines 14-18, page 10 line 23 through page 11 line 7; Figure 1 elements 610, 611, 613, 614, 615, 616, 617, 618, 620, 632, 640, 642, 652; Figure 2 elements 660, 680, 682; Figure 5b element 760); an output device, for providing, said first promotion and said second promotion to said first consumer (page 11 lines 8-11; Figure 1 elements 610, 613, 630, 634); at least one input device at a POS, for receiving, during a purchase transaction, said first consumer identification

information, said first promotion, said second promotion, and product identifications of items of products being purchased (page 8 lines 2-13, page 9 lines 18-28, page 14 line 10 through page 15 line 28; Figure 1 elements 610, 611, 613, 614, 615, 616, 617, 618, 630, 634, 636, 638, 644; Figure 2 elements 670, 682; Figure 3a elements 710, 710c, 710d, 710e, 710f, 710g, 710h; Figure 3b element 720; Figure 4a element 730c); said at least one processor, for determining, during said purchase transaction, a promotion qualification indicating if a first product item associated with said first promotion and a second product item associated with said second promotion have been received via said at least one input device at said POS during said purchase transaction (page 8 lines 2-13, page 9 lines 18-28, page 14 line 10 through page 15 line 28; Figure 1 elements 610, 611, 613, 614, 615, 616, 617, 618, 630, 634, 636, 638, 644; Figure 2 elements 670, 682; Figure 3a elements 710, 710c, 710d, 710e, 710f, 710g, 710h; Figure 3b element 720; Figure 4a element 730c; Figure 5a element 750; Figure 7 elements 5210, 5220, 5230, 5240); and said at least one processor, for deducting, only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device at said POS during said purchase transaction, from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion (page 4 lines 25-26, page 9 lines 13-28, page 16 line 11 through page 17 line 1, page 30 lines 12-28; Figure 1 elements 611, 613, 614, 615, 616, 617, 618, 619; 634, 644; Figure 3b element 720b; Figure 4a elements 730, 730c, 730d, 730e, 730f, 730g, 730h; Figure 4b element 740; Figure 10 elements 801, 802, 813, 815, 816).

**F. 37 CFR 41.37(c)(1)(vi) GROUNDS OF REJECTION TO BE REVIEWED
ON APPEAL**

1. The rejections of claims 1-3, 11-19, 23, 27, 36, 44, and 48 under 35 USC 112, first paragraph, as failing to comply with the written description requirement are improper and should be reversed.
2. The rejections of claims 1-3, 11-19, 23, 27, 36, 44, and 48 under 35 USC 112, second paragraph, as failing to particularly point out and distinctly claim the subject matter which

applicant regards as the invention are improper and should be reversed.

3. The rejections of claims 1-3, 11-19, 23, 27, 36, 44, and 48 under 35 USC 102(b) as being anticipated by Deaton et al., U.S. Patent No. 5,644,723 (hereinafter “Deaton”) are improper and should be reversed.

4. The rejections of claims 1-3, 23, 27, 36, 44, and 48 under 35 USC 102(e) as being anticipated by Aggarwal et al., U.S. Patent No. 5,644,723 (hereinafter “Aggarwal”) are improper and should be reversed.

5. The rejections of claims 11-19 under 35 USC 103(a) as being unpatentable over Aggarwal and further in view of Herz et al. (hereinafter “Herz”) are improper and should be reversed.

G. 37 CFR 41.37(c)(1)(vii) ARGUMENT IN WHICH EACH GROUND OF REJECTION IDENTIFIED UNDER SECTION 37 CFR 41.37(c)(1)(vi) IS TREATED IN A SEPARATE SECTION

See the following sections.

IV. THE REJECTIONS OF CLAIMS 1-3, 11-19, 23, 27, 36, 44, and 48 UNDER 35 USC 112, FIRST PARAGRAPH, AS FAILING TO COMPLY WITH THE WRITTEN DESCRIPTION REQUIREMENT ARE IMPROPER AND SHOULD BE REVERSED

Claims 1-3, 11-19, 23, 27, 36, 44, and 48 stand rejected under 35 USC 112, first paragraph, as failing to comply with the written description requirement.

In support of the rejections, the examiner states on page 3 lines 15-26 of the office action that there is no support in the specification for the limitation in claims 1 and 23:

_____receiving, via at least one input device at a POS during a purchase transaction, said first consumer identification information, said first promotion, said second promotion, and product identifications of items of products being

purchased;

determining, with said at least one processor, during said purchase transaction, a promotion qualification indicating if a first product item associated with said first promotion and a second product item associated with said second promotion have been received via said at least one input device at said POS during said purchase transaction; and

only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device at said POS during said purchase transaction, with said at least one processor, deducting from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion.

In response, the examiner errs because (1) there **is** sufficient support for the noted limitation in claims 1 and 23; and (2) the specification discloses how promotions are redeemed.

Specification page 8 lines 2-9 states:

In some embodiments, vendor interaction site 630 can include a promotion input device 636 such as a keyboard, touch screen, computer mouse, bar code reader, magnetic reader (including strip, disk, and tape reader), smart card reader, pressure sensor, motion detector, electromagnetic receiver, voltmeter, heat sensor, and other transducer capable of receiving promotion identification information. One common example is a bar code reader that transduces barcodes on coupons at a supermarket check-out counter.

The exemplary vendor interaction sites 630 also includes an identification input device 638 that receives identification information from a consumer.

Specification page 4 lines 25-26, with emphasis supplied, states:

As used herein, to "pair" promotions refers to any association of two or more promotions including printing together, requiring exercise together, displaying together, and/or showing together. Contrary to some common usages of the word "pairing," the present invention is not limited to associating only two promotions. Thus, three or more promotions may be "paired."

These passages disclose the limitations:

receiving, via at least one input device at a POS during a purchase transaction, said first consumer identification information, said first promotion, said second promotion, and product identifications of items of products being purchased;

determining, with said at least one processor, during said purchase transaction, a promotion qualification indicating if a first product item associated with said first promotion and a second product item associated with said second promotion have been received via said at least one input device at said POS during said purchase transaction; and

Specification page 16 lines 17-18 states:

Field 730e stores the value of the exercised promotion identified in field 730d.

Specification page 16 lines 17-18, along with specification page 4 lines 25-26, discloses:

only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device

at said POS during said purchase transaction, with said at least one processor, deducting from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion.

In the office action on page 4 line 9, the examiner further states that “The specification however does not disclose how the promotions are redeemed.”

In response, the appellant asserts that the specification discloses the following example of how the promotions are redeemed at page 30 lines 12-28, which states (with emphasis added):

Computer system 801 also includes a communication interface 813 coupled to bus 802. As described previously, communication interface 813 can itself form a promotion and/or address output device 634 and 644 when paired electronic promotions and/or address data are communicated electronically to another device such as a computer, cash register, credit-card billing device, coupon printer, etc. Such electronic promotions can include, for example, electronic codes automatically transmitted to the register of a vendor, electronic data describing an advertisement to a consumer's personal computer, or **deductions from a customer's account upon purchase or order of a product.** Communication interface 813 provides a two-way data communication coupling to a communications network 816 that is connected to a local network 815. For example, communication interface 813 may be a network interface card to attach to any packet switched local area network (LAN). As another example, communication interface 813 may be an asymmetrical digital subscriber line (ADSL) card, an integrated services digital network (ISDN) card or a modem to provide a data communication connection to a corresponding type of telephone line. Wireless links may also be implemented. In any such implementation, communication interface 813 sends and receives electrical, electromagnetic or

optical signals that carry digital data streams representing various types of information.

Therefore, the specification does disclose how the promotions are redeemed.

The examiner also states on page 4 lines 10-14 of the office action that the specification does not teach this limitation from claims 1 and 23:

only if said first consumer first product category purchase determination indicates no prior purchase by said first consumer of either an item of said first product or of an item in said first product category, storing, with said at least one processor, in a database in a computer memory in association with said first consumer identification information, said first promotion;

In response, the appellant notes that specification page 18 lines 6-19 states:

FIG. 6 is a flow chart that illustrates an exemplary method for performing the present invention. In this exemplary method, a single low relevance promotion drives the selection of a more relevant promotion to which it is to be paired. This method is particularly appropriate for promoting products in product classes and/or product industries that are "new" in the sense that the consumer has not purchased the product class and/or product industry before, in the sense that a particular store location has not carried a product class and/or product industry before, and/or in the sense that the product class and/or product industry itself is new. In each of these cases, there is little or no data extant for identifying consumers for whom a promotion related to a particular product is relevant. In fact, there might even be data that indicate that a promotion related to a particular product is not relevant to a consumer, in the case where the consumer has previously by-passed opportunities (such as promotions) to purchase a particular

product. However, by pairing such a low or low relevance promotion with a more relevant promotion, the exercise rate of the low relevance promotion can be increased.

Moreover, specification page 16 lines 11-17 states:

FIGS. 4a and 4b illustrate two different data record structures 730 and 740 that may be used to store data regarding exercised promotions in exercised promotion table 615 and data regarding a particular consumer's demographic information in consumer demographic tables 616 of FIGS. 1 and 2. Exercised promotion record 730 is used to store information related to the promotions that a consumer has exercised. The consumer's name is stored in field 730c, and exercised promotion identification information such as a promotion identification number is stored in field 730d.

Specification page 18 lines 6-19 and Specification page 16 lines 11-17 teach the limitation: “only if said first consumer first product category purchase determination indicates no prior purchase by said first consumer of either an item of said first product or of an item in said first product category, storing, with said at least one processor, in a database in a computer memory in association with said first consumer identification information, said first promotion”.

Because there is support for the noted limitations in claims 1 and 23, the rejections of claims 1-3, 11-19, 23, 27, 36, 44, and 48 under 35 USC 112, first paragraph, as failing to comply with the written description requirement are improper and should be reversed.

V. THE REJECTIONS OF CLAIMS 1-3, 11-19, 23, 27, 36, 44, AND 48 UNDER 35 USC 112, SECOND PARAGRAPH, AS BEING INDEFINITE FOR FAILING TO PARTICULARLY POINT OUT AND DISTINCTLY CLAIM THE SUBJECT MATTER WHICH APPLICANT REGARDS AS THE INVENTION ARE

IMPROPER AND SHOULD BE REVERSED

Claims 1-3, 11-19, 23, 27, 36, 44, and 48 stand rejected under 35 USC 112, second paragraph, as failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

In support of the rejections, the examiner states:

Claim 1 recites storing product identification information indicating information information of consumers associated with purchase of items of products by said consumers ... associated with identification of previous purchase of items of products by the that [sic] consumer. First of all it is unclear what applicant meant by “storing, with at least one processor, in a database in a computer memory, product purchase history information, wherein said product purchase history information indicates identification information for consumers associated with purchase of items of products by said consumers, such that each identification information for each consumer is associated with identification of previous purchase of items of products by that consumer. Does the database stores [sic] consumer identification and also the consumer’s purchases of products or just the identification of a consumer who happens to purchase products and/or who happens to purchase products previously? Second it [sic] unclear the difference between item and product. If item is different than a product it is not clear what item of a product is. It is also unclear what the difference is between an item of a first product and item of a first product category. The specification teaches product and product class or product category but does not teach item of a product.

Claim 23 is also rejected for the same reason stated above. [Office action page 4 line 23 through page 5 line 15; interpolation added.]

The examiner asks “Does the database stores [sic] consumer identification and also the

consumer's purchases of products or just the identification of a consumer who happens to purchase products and/or who happens to purchase products previously?" In response, the appellant notes that the specification particularly points out the database storing consumer identification and the consumer's purchases of products. The specification discloses a central database system 610 containing consumer identification table 614 and consumer purchase history table 617. See, for example, (1) Fig. 1; and (2) page 9 lines 5-17 of the specification, which states (with emphasis supplied):

Regardless of the nature of identification input device 638, once identification data is transduced and/or received, it can be transferred from vendor terminal 632 to processor 611 of central database system 610. Naturally, this can be done by way of a network 620, or alternatively a processor similar to processor 611 can be part of vendor interaction site 630 (as shown in vendor interaction site 650). Regardless of the location of processor 611, the processor 611 can compare the received identification information to previously stored identification information found in consumer identification table 614 to determine the identity of the consumer. An exemplary data record that could be found in identification table 614 is illustrated as Data Record B 720 of FIG. 3b. **Once the identity of the consumer has been determined , it can be used , e. g. ; to add data records to the exercised promotion table 615, to identify relevant records found in the consumer demographic table 616 or the consumer purchase history table 617, and/or to select and/or produce paired promotions using analysis tools table 618 in conjunction with promotion storage table 613.**

The examiner asks implied questions in the statement "Second it [sic] unclear the difference between item and product. If item is different than a product it is not clear what item of a product is. It is also unclear what the difference is between an item of a first product and item of a first product category. The specification teaches product and product class or product

category but does not teach item of a product.” In response, the appellant notes that this is not relevant. What is relevant is that the claim recitation “wherein said product purchase history information indicates identification information for consumers associated with purchase of items of products by said consumers, such that each identification information for each consumer is associated with identification of previous purchase of items of products by that consumer” is definite. It is. The examiner’s implied question *that it is unclear what the difference is between an item of a first product and item of a first product category* implies that there is insufficient disclosure in the specification of an item of a first product and item of a first product category.

However, the specification discloses both (1) item of a first product and (2) item of a first product category. See, for example, page 22 lines 14-19 which states:

Consumer loyalty can be determined by comparing how often a consumer purchases a particular brand of product with the total number of purchases by the consumer of that product and/or product class. For example, if a consumer always purchases POST RAISIN BRAND cereal every time that the consumer purchases any breakfast cereal, then the consumer is loyal to this product even if the total frequency of breakfast cereal purchases is low.

The specification page 22 lines 14-19 discloses the difference between (1) a product category, alternatively a product class, “breakfast cereal” being an example; (2) a product, “raisin bran” being an example; and (3) a particular brand of a product, alternatively a product, “Post Raisin Bran cereal” being an example.

The word “item” has a well-known meaning in the English language: a unit or element of a set. Therefore, an *item* of a first product could include “Post Raisin Bran”, “Kellogg’s Raisin Bran”, or “Total Raisin Bran”. Similarly, an *item* of a first product category could include “breakfast cereal”, “snack foods”, or “diapers”.

Since the specification discloses (1) a database that stores consumer identification and records of that consumer’s purchases of products and (2) both “item of a first product” and “item

of a first product category”, the limitations in claims 1 and 23 noted by the examiner are **not** indefinite. Therefore, the rejections of claims 1-3, 11-19, 23, 27, 36, 44, and 48 under 35 USC 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention; are improper and should be reversed.

VI. THE REJECTIONS OF CLAIMS 1-3, 11-19, 23, 27, 36, 44, AND 48 UNDER 35 USC 102(b) AS BEING ANTICIPATED BY DEATON ARE IMPROPER AND SHOULD BE REVERSED

Claims 1-3, 11-19, 23, 27, 36, 44, and 48 stand rejected under 35 USC 102(b) as being anticipated by Deaton. The examiner errs by (1) not presenting a prima facie case for the rejections of claim 1-3, 11-19, 23, 27, 36, 44, and 48 under 35 USC 102(b) as being anticipated by Deaton; and (2) misinterpreting the disclosure in Deaton.

In support of the rejections, the examiner states:

Regarding claims 1-3, 11-19, 23, 27, 36, 44 and 48, Deaton teaches storing purchase history information for a customer, including previous purchase of items or products; determining if the purchase history information indicates prior purchases of product or product category; determining if consumer has not purchased a product (not purchased coffee or specific brand or coffee); determining a second promotion which has high relevance to the consumer based on relevance criteria, plurality of promotions and at least from the purchase history information (different brand of coffee or purchasing products other than the brand of coffee); outputting the first and second promotion; (“printing on a single sheet of paper a (printing coupon at a point-of-sale (1) first promotion for said consumer to purchase a product item (any transaction at the point-of sale) from that one of said first product category and said first product that said first determination indicates that said consumer has not purchased (e.g. coupon to shop at delicatessen or coupon for coffee or specific brand of coffee) in order to obtain

a first reward (coupon (discount) for the purchase of item not been purchased and (2) a second promotion for said consumer to purchase a product item from that one of said second product category and said second product that said second determination indicates that said consumer has purchased in order to obtain a second reward” (more than one coupon is printed at the point-of-sale, which indicated that more than one reward (discount) is provided during a shopping (spooling selected coupon at the point of sale) (see col. 69 line 42 to col. 71 line 18). [Office action page 6 lines 3-20.]

A. DEFINITIONS IN THE SUBJECT SPECIFICATION

The application contains the following relevant definitions:

[0014] As used herein, the term "promotion" refers to any offer, advertisement, incentive, coupon, and/or commercial for promoting one or more goods and/or services.

[0015] As used herein, to "exercise" a promotion refers to any redemption, consumption, employment, application, availment, and/or weilding of a promotion.

[0016] As used herein, the "relevancy" of a promotion refers to the likelihood that a promotion will be exercised.

[0017] As used herein, to "pair" promotions refers to any association of two or more promotions including printing together, requiring exercise together, displaying together, and/or showing together. Contrary to some common usages of the word "pairing," the present invention is not limited to associating only two promotions. Thus, three or more promotions may be "paired."

[0060] In another exemplary embodiment, the determination of the relevance of a promotion is made by examining the category purchase history of the consumer. Category purchase history, as used herein, indicates the total

purchase history of the consumer within a particular category, whether or not the products originate with a particular promoter. Exemplary categories include, e.g.: ethnic food product categories, such as Mexican, French, or California cuisine; age-related food product categories, such as baby food; health food product categories, such as diet food, lactose-intolerant food; and religious food product categories, such as specialized Kosher products. The use of category purchase history to determine the relevancy of a promotion to a consumer allows the promoter to consider the entirety of a consumer's purchase history, rather than just isolated facets of the purchase history. For example, if a consumer has never before purchased Taco Bell-brand salsa, but often purchases other products that are classified in a "Mexican food category," then both the loyalty-based approach and the product line approach described above will indicate that promotions for Taco Bell-brand Salsa are of low relevance to the consumer. However, by examining the category purchase history of the consumer, such promotions are seen as highly relevant, since the consumer has often purchased products in the Mexican food category before. Thus the entirety of the consumer's purchase history can be examined, and a single promoter can provide both the more relevant and the low relevance promotion if necessary.

B. DISCLOSED INVENTION

These definitions list a "coupon" as a promotion, that pairing may be "requiring exercise together", and that "exercise" may be "redemption." This application addresses the problem of how to effectively market to a customer a product in a category of products when the available purchase history data for that customer does not show purchases for that product or in that category of products. See paragraphs 00005 to 0007. As noted in paragraph 0006, likelihood of any consumer exercising such a promotion is quite low. However, as noted in paragraph 0081, "By pairing a low relevance promotion with a more relevant promotion, the total rate of redemption can be increased and the payment to the practitioner increased." The basic concept of

this application is that the effectiveness of such a promotion may be increased by requiring that promotion (**for the product never before purchased by the consumer, insofar as the consumer's purchase history record shows**) be redeemed together with a promotion targeted to the consumer based upon the consumer's purchase history record. Paragraph 0013, first sentence, and paragraph 0015. That is the core concept of this application.

Repeated use in the independent claims of at least one processor, a database, and a computer memory (with indefinite articles) reflects the fact that the specification discloses that various processing and database functions may be performed at different locations with different computer systems.

Support for the limitations relating to the "low relevance" first promotion appear in the following sections of the specification.

[0005] Since historical purchase records only indicate what a consumer has purchased in the past, promotions that are targeted using only purchase history will not effectively introduce a consumer to a new product and/or a new product class. For example, if a consumer has never purchased a product from the snack food product class (e.g., chips, pretzels, etc.), then a traditional practitioner of targeted marketing would most likely never provide a promotion for a product in this class to this a consumer. Rather, the traditional practitioner of targeted marketing would likely confine the provision of promotions to those consumers who have purchased products in this class previously, greatly limiting the population pool that receives a promotion and the opportunity to grow this population pool. In other words, a traditional practitioner of targeted marketing would consider a promotion for a product in this product class to only be "low relevance," or of marginal interest to the consumer and unlikely to be exercised. As such, there is no chance given to the possibility that a consumer might try a new product and/or product class.

[0055] ... When a promoter wishes to provide a promotion that, according

to traditional indicators, is only of low relevance to the consumer, the computer processor instructions and/or other information of analysis tools record 760 can be used to identify a promotion of high relevance to the same consumer so that the two promotions can be paired, and the likelihood that the low relevance promotion be exercised increased. Likewise, when a predetermined pair of promotions exists, then the computer processor instructions and/or other information of analysis tools record 760 can be used to identify a consumer for which one promotion of the pair is more relevant, and the other promotion of the pair is of low (or unknown) relevance.

[0056] FIG. 6 is a flow chart that illustrates an exemplary method for performing the present invention. In this exemplary method, a single low relevance promotion drives the selection of a more relevant promotion to which it is to be paired. This method is particularly appropriate for promoting products in product classes and/or product industries that are "new" in the sense that the consumer has not purchased the product class and/or product industry before, in the sense that a particular store location has not carried a product class and/or product industry before, and/or in the sense that the product class and/or product industry itself is new. In each of these cases, there is little or no data extant for identifying consumers for whom a promotion related to a particular product is relevant. In fact, there might even be data that indicate that a promotion related to a particular product is not relevant to a consumer, in the case where the consumer has previously by-passed opportunities (such as promotions) to purchase a particular product. However, by pairing such a low or low relevance promotion with a more relevant promotion, the exercise rate of the low relevance promotion can be increased.

C. THE EXAMINER HAS NOT MADE A *PRIMA FACIE* CASE FOR THE REJECTIONS OF CLAIMS 1-3, 11-19, 23, 27, 36, 44, AND 48 UNDER 35

USC 102(b) AS BEING ANTICIPATED BY DEATON

The examiner has not made a *prima facie* case for the rejections of claims 1-3, 11-19, 23, 27, 36, 44, and 48 under 35 USC 102(b) as being anticipated by Deaton. Therefore, the rejections of claims 1-3, 11-19, 23, 27, 36, 44, and 48 are improper and should be reversed.

Claims 1 and 23 recite the limitation:

only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device at said POS during said purchase transaction, with said at least one processor, deducting from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion.

The examiner presents no discussion in support of the assertion that Deaton discloses this limitation. Moreover, Deaton does not disclose this limitation. Since the examiner has not made a *prima facie* case, the rejection of claims 1 and 23 are improper and should be reversed. Since claims 2, 3, 11-19, 27, 36, 44, and 48 all depend from either claim 1 or claim 23, the rejections of claims 2, 3, 11-19, 27, 36, 44, and 48 are improper and should be reversed.

D. DEATON DOES NOT DISCLOSE REQUIRING BOTH THE FIRST PROMOTION FOR A PRODUCT OF A CATEGORY FOR WHICH THE CONSUMER HAS NOT PREVIOUSLY PURCHASED, AND A SECOND HIGH RELEVANCE PROMOTION FOR A PRODUCT THE CONSUMER IS LIKELY TO PURCHASE, BE EXERCISED TOGETHER IN ORDER TO INCENT THE CUSTOMER TO PURCHASE THE FIRST PRODUCT

The applicant notes that pending claims define requiring both the first promotion (for a product of category for which the consumer has not previously purchased), the low relevance promotion/product, and a second high relevance promotion for a product the consumer is likely

to purchase, be exercised by the consumer together, in order to incent the customer to purchase the first product. Deaton does not disclose or suggest that concept.

For this additional reason, the rejections of claims 1-3, 11-19, 23, 27, 36, 44, and 48 under 35 USC 102(b) as being anticipated by Deaton are improper and should be reversed.

VII. THE REJECTIONS OF CLAIMS 1-3, 23, 27, 36, 44, AND 48 UNDER 35 USC 102(e) AS BEING ANTICIPATED BY AGGARWAL ARE IMPROPER AND SHOULD BE REVERSED

Claims 1-3, 23, 27, 36, 44, and 48 stand rejected under 35 USC 102(e) as being anticipated by Aggarwal. The examiner errs by (1) making assertions which contradict the examiner's prior admissions; and (2) mischaracterizing the disclosure in Aggarwal.

A. THE EXAMINER HAS ADMITTED THAT AGGARWAL DOES NOT DISCLOSE LIMITATIONS IN CLAIMS 1, 23, 36, 44, AND 48

The examiner has made the following admission that Aggarwal does not disclose limitations in claims 1, 23, 36, 44, and 48. "Regarding claims 36-58, Aggarwal teaches reporting to the customer the promotional list, but failed to explicitly indicate displaying or exercising the promotion." Office action mailed July 29, 2005 page 12 lines 3-4.

Claims 1 and 23 each contain the following limitations:

determining, with said at least one processor, during said purchase transaction, a promotion qualification indicating if a first product item associated with said first promotion and a second product item associated with said second promotion have been received via said at least one input device at said POS during said purchase transaction; and

only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device at said POS during said purchase transaction, with said at least one processor,

deducting from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion.

These limitations define receiving both a first and second promotion at a point of sale and deducting the value of the promotions from the charge for the purchase. The limitations define requiring that the promotions be **exercised** together. However, the examiner has admitted that “Aggarwal teaches reporting to the customer the promotional list, but failed to explicitly indicate displaying or exercising the promotion.” In view of the examiner’s admission, Aggarwal does not disclose the limitations from claims 1 and 23 noted above. Therefore the rejections of claims 1 and 23, and the claims that depend therefrom, under 35 USC 102(e) as being anticipated by Aggarwal are improper and should be reversed.

Claim 36 recites “The method of claim 1 wherein said providing comprises displaying together said first promotion with said second promotion.” Claim 44 recites “The system of claim 23 wherein said providing comprises displaying together said first promotion with said second promotion.” Claim 48 recites “The system of claim 23 wherein said providing comprises displaying together said first low relevance promotion with said second promotion.”

The limitations defined in claims 36, 44, and 48 each define **displaying** promotions together. However, the examiner has admitted that “Aggarwal teaches reporting to the customer the promotional list, but failed to explicitly indicate displaying or exercising the promotion.” In view of the examiner’s admission, Aggarwal does not disclose the limitations from claims 36, 44, and 48 noted above. Therefore the rejections of claims 36, 44, and 48 under 35 USC 102(e) as being anticipated by Aggarwal are improper and should be reversed.

B. AGGARWAL DOES NOT DISCLOSE PROMOTIONS FOR PRODUCTS OR PRODUCT CATEGORIES IN WHICH A CONSUMER HAS NEVER PURCHASED AS DEFINED IN CLAIMS 1 AND 23

In support of the rejections of claims 1, 23, 27, 36, 44 and 48 under 35 USC 102(e) as

being anticipated by Aggarwal, the examiner states:

Regarding claims 1, 23, 27, 36, 44 and 48 Aggarwal teaches receiving identification from a customer associated with identification of previous purchases (see col. 10 lines 65 to col. 11 lines 15); storing product purchase history; storing a plurality of promotions determining promotion relevance criteria; selecting promotion determined by more relevant based upon the identification information of previous purchases; paring [sic] (two or more) the low relevance and second relevance promotion (a list of recommended items in order of frequency of purchase) (see col. 11 lines 29-46); determining a purchase history of the consumer (col. 10 lines 65 to col. 11 lines 15); selecting a promotion determined to be more relevant based upon the purchase history; paring [sic] the low relevance and second relevance promotion; providing the paired promotion to customer; providing via an output device said first and second promotion to the consumer [sic] Aggarwal teaches receiving promotional information regarding one promotion paring [sic] promotions with low relevance promotions with other promotions providing the paired promotions to the customer. Aggarwal teaches providing promotional list (displayed together) sorted according to for example frequency of purchase reported to user in order of frequency of purchase, i.e., with lower frequency of purchase listed under the ones with higher frequency of purchase (see col. 11 lines 7-46). [Office action page 7 line 16 through page 8 line 7; interpolation supplied.]

The examiner errs because Aggarwal does not disclose storing a first promotion associated with a consumer wherein that consumer's first product category purchase determination indicates no prior purchase by that consumer of either an item of a first product or of an item in a first product category. Therefore, Aggarwal does not disclose the following limitations defined in claims 1 and 23:

only if said first consumer first product category purchase determination indicates no prior purchase by said first consumer of either an item of said first product or of an item in said first product category, storing, with said at least one processor, in a database in a computer memory in association with said first consumer identification information, said first promotion;

storing, with said at least one processor, said first promotion and said second promotion in association with said first consumer identification information;

providing, via an output device, said first promotion and said second promotion to said first consumer;

receiving, via at least one input device at a POS during a purchase transaction, said first consumer identification information, said first promotion, said second promotion, and product identifications of items of products being purchased;

determining, with said at least one processor, during said purchase transaction, a promotion qualification indicating if a first product item associated with said first promotion and a second product item associated with said second promotion have been received via said at least one input device at said POS during said purchase transaction; and

only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device at said POS during said purchase transaction, with said at least one processor, deducting from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion.

1. WHAT AGGARWAL DISCLOSES

Aggarwal is directed to determining data field subsets that are small enough to make

feasible a computer implemented process of determining, for example, correlations between multiple people of frequency of purchase of a subset of products. Aggarwal discusses the generic problem as follows:

The difficulty that arises in high dimensional feature spaces is the inherent sparsity of data values. For example, in the above case when objects represented in the database as customer profiles, there may not be many clusters of customer profiles that are similar (close) with respect to all the features: age, height, weight, sex, salary, number of cars, etc. Thus, when the number of features is high the data may become sparse.

And, for example, Aggarwal discloses determining likelihood that a particular consumer will purchase a set of products based upon those correlations. Aggarwal teaches ranking a list of predetermined purchase offers for products based upon those likelihoods, and then displaying the ranked list to the consumer. See for example Fig. 7 elements 706-710.

2. WHAT AGGARWAL DOES NOT DISCLOSE

Aggarwal does not disclose (1) determining a product category (or product) for which there is no data indicating the consumer has previously purchased; and Aggarwal does not disclose (2) setting a "low relevance" promotion for that consumer to that product category (or product), and then pairing that low relevance promotion with a promotion determined to be relevant to the consumer via either (a) display of the two promotions together or (b) requirement that the two promotions be exercised together). In contrast, these limitations are defined in claims 1 and 23.

a. AGGARWAL'S RECOMMENDATIONS LIST DOES NOT DISCLOSE EXERCISABLE PROMOTIONS

The specification in Aggarwal discloses presenting to a consumer a list of product

recommendations, which, based on that consumer's previous purchases, are computed to be well suited to a consumer. See, for example, column 10 lines 34-37 in Aggarwal, which states:

The information stored in these databases may be analyzed for the purpose of providing product recommendations to customers concerning, for example, items for sale.

See also, for example, column 10 lines 52-54 in Aggarwal, which states:

The predicted (preferred) items may be provided to the target customer as a list of recommended items.

Column 10 lines 55-57 of Aggarwal defines "promotion list," stating:

A promotion list is a list of items used to restrict the number of products which may be recommended to a target customer.

In contrast, the subject application defines a promotion as "any offer, advertisement, incentive, coupon, and/or commercial for promoting one or more goods and/or services." Page 4 lines 19-20. Since the recommendations list in Aggarwal consists of a list of products and does not consist of either an offer, incentive, or coupon, Aggarwal's recommendations list are not "exercisable" promotions.

"Exercisable" is defined in the specification at page 4 lines 21-22, which states, with interpolation provided, that:

As used herein, to "exercise" a promotion refers to any redemption, consumption, employment, application, availment and/or weilding [sic] of a promotion.

“Exercisable” in common usage means “the act or an instance of carrying out the terms of an agreement,” which is consistent with the definition in the specification.

Since Aggarwal does not disclose exercisable promotions, Aggarwal does not suggest the limitation “only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device at said POS during said purchase transaction, with said at least one processor, deducting from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion” as recited in claims 1 and 23. Therefore, the rejections of claims 1 and 23, and the claims that depend therefrom, are improper and should be reversed.

b. **AGGARWAL DOES NOT DISCLOSE EITHER (1) LOW RELEVANCE PROMOTIONS OR (2) PROMOTIONS FOR PRODUCTS OR PRODUCT CATEGORIES IN WHICH A CONSUMER HAS NEVER PURCHASED**

In fact, Aggarwal teaches away from providing information on low relevance products. Aggarwal, in fact, teaches limiting product information provided to a consumer only to products the consumer is **likely** to buy.

The subject application introduces the concept of low relevance at page 1 line 24 to page 2 line 7 of the specification, stating:

Since historical purchase records only indicate what a consumer has purchased in the past, promotions that are targeted using only purchase history will not effectively introduce a consumer to a new product and/or a new product class. For example, **if a consumer has never purchased a product from the snack food product class** (e.g., chips, pretzels, etc.), then a traditional practitioner of targeted marketing would most likely never provide a promotion for a product in this class to this a consumer. Rather, the traditional practioner of targeted marketing would likely confine the provision of promotions to those

consumers who have purchased products in this class previously, greatly limiting the population pool that receives a promotion and the opportunity to grow this population pool. In other words, a traditional practitioner of targeted marketing would consider a promotion for a product in this product class to only be “low relevance,” or **of marginal interest to the consumer and unlikely to be exercised**. As such, there is no chance given to the possibility that a consumer might try a new product and/or product class. [Emphasis provided.]

That passage provides the example that a low relevance promotion is one relatively unlikely to be exercised by the consumer because the promotion is for a product or in a class of products from which the consumer has not previously purchased. The specific example provided is that a product never purchased by a consumer has low relevance. At page 3 lines 21-23, with emphasis provided, the specification explains a goal of pairing:

By pairing a “more relevant” promotion with a “low relevance” promotion, the consumer’s attention can be captured and the likelihood that the “low relevance” promotion will be exercised increased.

In contrast, Aggarwal does not disclose or suggest pairing to increase likelihood that a low relevance promotion will be exercised.

In the office action at page 7 line 16 through page 8 line 7 (copied above), the examiner summarized Aggarwal’s relevant teachings. In response, the applicant agrees that Aggarwal sorts a customer’s list of products the customer previously purchased by frequency of purchase. Aggarwal column 10 lines 55-63 teaches that Aggarwal’s goal is to limit product recommendations to those **most relevant** to the customer, stating:

Promotion list: A promotion list is a list of items used to restrict the number of products which may be recommended to a target customer. For

example, although a hundred thousand items may be offered for sale by a retail organization, it may be desirable to restrict the recommended items to one hundred of the items. This restricted list is referred to as a promotion list. A promotion list may be used, for example, in order to promote the sale of specific products.

At column 11 lines 7-46, Aggarwal filters products to be communicated to a user by (1) user frequency of purchase and (2) manufacturer list of products to be promoted. Aggarwal explains that the goal of the filtering is “to restrict the number of products which may be recommended to a target customer.” Aggarwal column 10 lines 55-57. There is no disclosure in Aggarwal that the recommendations list products that are of marginal interest to the consumer. Moreover, Aggarwal’s process would exclude from its list any product **which the consumer had not previously purchased**. Aggarwal uses an example of restricting its recommendation list to the top 100 items available (column 10 lines 57-60).

Moreover, Aggarwal uses a promotion list to recommend products to a targeted consumer that the consumer has shown a past preference for purchasing. Aggarwal column 10 lines 50-61.

Therefore, Aggarwal promotes products that are most relevant to a consumer. This is accomplished by examining a target consumer’s purchase history to determine products that a target consumer is most likely to purchase and then presenting to the target consumer a promotion list, consisting of the products that the target consumer is most likely to purchase. Therefore, as asserted earlier, since Aggarwal discloses a promotion list that presents only the most relevant products to a target consumer, Aggarwal teaches away from disclosing low relevance promotions.

There is no disclosure in Aggarwal that the promotion list includes products of low relevance (marginal interest) to the consumer. Since Aggarwal does not disclose low relevance promotions, Aggarwal does not disclose “only if said first consumer first product category purchase determination indicates no prior purchase by said first consumer of either an item of said first product or of an item in said first product category, storing, with said at least one

processor, in a database in a computer memory in association with said first consumer identification information, said first promotion” as recited in claims 1 and 23.

Because Aggarwal does not disclose a low relevance concept, Aggarwal could not disclose the following recitations in claims 1 and 23:

storing, with said at least one processor, said first promotion and said second promotion in association with said first consumer identification information;

providing, via an output device, said first promotion and said second promotion to said first consumer;

receiving, via at least one input device at a POS during a purchase transaction, said first consumer identification information, said first promotion, said second promotion, and product identifications of items of products being purchased;

determining, with said at least one processor, during said purchase transaction, a promotion qualification indicating if a first product item associated with said first promotion and a second product item associated with said second promotion have been received via said at least one input device at said POS during said purchase transaction; and

only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device at said POS during said purchase transaction, with said at least one processor, deducting from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion.” as recited in claims 1 and 23.

Therefore, the rejections of claims 1 and 23, and the claims which depend therefrom, are improper and should be reversed.

VIII. THE REJECTIONS OF CLAIMS 11-19 UNDER 35 USC 103(a) AS BEING UNPATENTABLE OVER AGGARWAL AND FURTHER IN VIEW OF HERZ ARE IMPROPER AND SHOULD BE REVERSED

Claims 11-19 stand rejected under 35 USC 103(a) as being unpatentable over Aggarwal and further in view of Herz. In support of the rejections, the examiner states:

Regarding claims 11-19, Aggarwal teaches information about a customer's purchase behavior including a list of items purchased, the price of the items, the frequency of purchase and other information relating to an item for sale (see col. 11 lines 7-15). Since Aggarwal stores transaction history of every item purchased, whether the promotion is for goods from the same or different promoter, whether the product is new to the store or customer would not make a patentable difference to Aggarwal's promotional list. Those limitations are non-functional descriptive material. However, Herz teaches recording information about product's size, shape, packaging and advertisement or anything that might impact its appeal to customers. Therefore, it would have been obvious to one [sic] ordinary skill in the art [sic] the time of the invention to include such information in order to provide shopper [sic] with coupons or promotions specifically tailored to their performance as taught by Herz (see col. 23 lines 1-67 and col. 24 lines 9-51). [Office action page 8 line 20 through page 9 line 6; interpolation added.]

The examiner errs because (1) neither Aggarwal nor Herz discloses the limitation "said first promotion" as recited in claims 11-19; and (2) the examiner has not presented a motivation to combine Aggarwal and Herz

A. WHAT HERZ DOES NOT DISCLOSE

The examiner relies on Herz to disclose "recording information about product's size, shape, packaging and advertisement or anything that might impact its appeal to customers".

Office action page 8 line 26 though page 9 line 3. However, those features are not relevant to the pending claim limitations.

At office action page 8 lines 22-25, the examiner reasons: "Since Aggarwal stores transaction history of every item purchased, whether the promotion is for goods from the same or different promoter, whether the product is new to the store or customer would not make a difference to Aggarwal's promotional list." In response, the appellant notes that the examiner's assertion at office action page 8 lines 22-25 is not relevant since the pending claims specifically define determining the low relevance promotion based upon the **absence** of purchase data from the customer's purchase history record. Aggarwal does not disclose or suggest that concept.

**B. NEITHER AGGARWAL NOR HERZ DISCLOSES THE LIMITATION
"SAID FIRST PROMOTION" AS RECITED IN CLAIMS 11-19**

Claims 11-19 each recite the limitation "said first promotion", which has the following antecedent basis in claim 1 (emphasis supplied):

only if said first consumer first product category purchase determination indicates no prior purchase by said first consumer of either an item of said first product or of an item in said first product category, storing, with said at least one processor, in a database in a computer memory in association with said first consumer identification information, **said first promotion**;

Neither Aggarwal nor Herz discloses "said first promotion" as defined in claim 1. As noted above in response to the 35 USC 102(e) rejection, Aggarwal does not. The examiner relies on Herz to teach "recording information about product's size, shape, packaging and advertisement or anything that might impact its appeal to customers." Office action page 8 line 26 though page 9 line 3. However, the examiner has taken this passage out of context. The passage in Herz that the examiner is citing is found in Herz column 23 lines 1-5, which states (with emphasis supplied):

Extremely detailed information about the **purchase** items is also noted. Information about a product's color, size, shape, packaging, and advertising--anything that might impact its direct appeal to customers--is recorded.

The passage in Herz relied on by the examiner refers to items **purchased** by a consumer. "Said first promotion" as recited in claim 1 refers to products or product categories that have **not** been purchased by the consumer.

The examiner apparently does not understand claim 1's recitation "said first promotion", as evidenced by the examiner's statement: "Since Aggarwal stores transaction history of every item purchased, whether the promotion is for goods from the same or different promoter, whether the product is new to the store or customer would not make a patentable difference to Aggarwal's promotional list." Obviously, if the product is new to the customer, there would be no record of that product in that customer's transaction history.

Neither Aggarwal nor Herz discloses the limitation "said first promotion" as recited in claims 11-19. Therefore, the rejections of claims 11-19 are improper and should be reversed.

C. THE EXAMINER HAS NOT PRESENTED A MOTIVATION TO COMBINE AGGARWAL AND HERZ

There is no motivation to combine Aggarwal with Hertz to "include [recording information about product's size, shape, packaging and advertisement or anything that might impact its appeal to customers] in order to provide shopper with coupons or promotions specifically tailored to their preference as taught by Herz" as asserted by the examiner in the office action at page 8 line 26 though page 9 line 6.

The purpose in Herz is to entice the greatest number of consumers to make purchases at a minimal level of discount (Herz column 23 lines 57-58). The aim of Aggarwal is to display a list of products "best suited" for a consumer. Since the goals of Herz and Aggarwal are at odds, there is no motivation to modify Aggarwal's transaction database to include Herz's information

about product's size, shape, packaging and advertisement or anything that might impact its appeal to customers. Moreover, Herz's information about product's size, shape, packaging and advertisement or anything that might impact its appeal to customers has no relevance to the pending claims.

For the reasons presented above, the rejections of claims 11-19 under 35 USC 103(a) as being unpatentable over Aggarwal and further in view of Herz are improper and should be reversed.

VIII. 37 CFR 41.37 (c)(1) (CONTINUED)

H. 37 CFR 41.37 (c)(1)(viii) CLAIMS APPENDIX

Appendix I, attached, contains a copy of the claims on appeal, as presented in the appeal brief filed September 11, 2009.

I. 37 CFR 41.37 (c)(1)(ix) EVIDENCE APPENDIX

There is no evidence to be cited herewith. Accordingly, this section is inapplicable. A blank evidence appendix, Appendix II, page is attached to comply with the formal requirements.

J. 37 CFR 41.37 (c)(1)(x) RELATED PROCEEDINGS APPENDIX

There are no related proceedings to be cited herewith. Accordingly, this section is inapplicable. A blank related proceedings appendix, Appendix III, page is attached to comply with the formal requirements.

IX. 37 CFR 41.37 (c)(2)

This brief does not include any new or non-admitted amendment, or any new or non-admitted affidavit or other evidence.

X. 37 CFR 41.37 (d)

This appeal brief complies with all the requirements of paragraph (c) of this section.

XI **37 CFR 41.37 (e)**

This notice of appeal and appeal brief are timely filed. Accordingly, no extensions of time are necessary.

8/20/2009

DATE

Respectfully Submitted,

/BruceT.Margulies#64,175/

Bruce T. Margulies

Attorney of Record

Registration No. 64,175

BTM

Printed: August 20, 2009 (5:43pm)

Y:\Clients\Catalina\PIP-69B-KATZ\PIP-69B-KATZ\Drafts\AppealBrief_PIP-69B-KATZ_7-27-2009.wpd

APPENDIX 1 - CLAIMS APPENDIX OF APPEALED CLAIMS

1. A computer-implemented method for increasing the likelihood that a first promotion for purchase of an item of a first product or purchase of an item in a first product category will be exercised by a first consumer, comprising:

storing, with at least one processor, in a database in a computer memory, product purchase history information, wherein said product purchase history information indicates identification information for consumers associated with purchase of items of products by said consumers, such that each identification information for each consumer is associated with identification of previous purchase of items of products by that consumer;

storing, with said at least one processor, in a database in a computer memory, a plurality of promotions, wherein each one of said plurality of promotions includes in association with one another at least: promotion record identifier, promotion product identity, category of said promotion product, and value of promotion;

storing, with said at least one processor, in a database in a computer memory, promotion relevance criteria for determining relevance of promotions;

determining, with said at least one processor, a first consumer first product category purchase determination, wherein said first consumer first product category purchase determination indicates whether said product purchase history information associated in a database with a first consumer identification information for said first consumer indicates prior purchase by said first consumer of either an item of said first product or of an item in said first product category;

only if said first consumer first product category purchase determination indicates no prior purchase by said first consumer of either an item of said first product or of an item in said first product category, storing, with said at least one processor, in a database in a computer memory in association with said first consumer identification information, said first promotion;

determining, with said at least one processor, a second promotion selected from said plurality of promotions which has a relatively high relevance for said first consumer, using (1)

said promotion relevance criteria, (2) said plurality of promotions, and (3) at least one of said product purchase history information for said first consumer, demographics information about said first consumer, and exercised promotions exercised by said first consumer; and

storing, with said at least one processor, said first promotion and said second promotion in association with said first consumer identification information;

providing, via an output device, said first promotion and said second promotion to said first consumer;

receiving, via at least one input device at a POS during a purchase transaction, said first consumer identification information, said first promotion, said second promotion, and product identifications of items of products being purchased;

determining, with said at least one processor, during said purchase transaction, a promotion qualification indicating if a first product item associated with said first promotion and a second product item associated with said second promotion have been received via said at least one input device at said POS during said purchase transaction; and

only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device at said POS during said purchase transaction, with said at least one processor, deducting from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion.

2. The computer-implemented method according to claim 1, wherein said purchase history information comprises a frequency of purchases in a product category.

3. The computer-implemented method according to claim 1, wherein said purchase history information comprises a number of purchases in a product category.

4.-10. (Canceled).

11. The computer-implemented method according to claim 1 wherein said providing comprises printing both said first promotion and said second promotion on a sheet of paper.

12. The computer-implemented method according to claim 1 wherein said first promotion and said second promotion are promotions for discounts on purchases of products in a packaged goods industry.

13. The computer-implemented method according to claim 1 wherein said first promotion and said second promotion are for goods from a same promoter.

14. The computer-implemented method according to claim 1 wherein said first promotion and said second promotion are for goods from different promoters.

15. The computer-implemented method according to claim 1 wherein said first promotion is for a new product.

16. The computer-implemented method according to claim 1 wherein said first promotion is for a new product, and wherein said new product is new to a store in which said first promotion is being offered.

17. The computer-implemented method according to claim 1 wherein said first promotion is for a product that said consumer has not previously purchased.

18. The computer-implemented method according to claim 1 wherein said first promotion is for a new product, and wherein said new product is newly developed.

19. The computer-implemented method according to claim 1 further comprising: selecting, with said at least one processor, from said plurality of promotions, a third

promotion determined to be more relevant to said first consumer; and
pairing said third promotion with said first promotion and said second promotion.

20-22. (Canceled).

23. A computer system for increasing the likelihood that a first promotion for purchase of an item of a first product or purchase of an item in a first product category will be exercised by a first consumer, comprising:

at least one processor, for storing, in a database in a computer memory, product purchase history information, wherein said product purchase history information indicates identification information for consumers associated with purchase of items of products by said consumers, such that each identification information for each consumer is associated with identification of previous purchase of items of products by that consumer;

said at least one processor, for storing, in a database in a computer memory, a plurality of promotions, wherein each one of said plurality of promotions includes in association with one another at least: promotion record identifier, promotion product identity, category of said promotion product, and value of promotion;

said at least one processor, for storing, in a database in a computer memory, promotion relevance criteria for determining relevance of promotions;

said at least one processor, for determining, a first consumer first product category purchase determination, wherein said first consumer first product category purchase determination indicates whether said product purchase history information associated in a database with a first consumer identification information for said first consumer indicates prior purchase by said first consumer of either an item of said first product or of an item in said first product category;

said at least one processor, for storing, only if said first consumer first product category purchase determination indicates no prior purchase by said first consumer of either an item of said first product or of an item in said first product category, in a database in a computer memory

in association with said first consumer identification information, said first promotion;

said at least one processor, for determining, a second promotion selected from said plurality of promotions which has a relatively high relevance for said first consumer, using (1) said promotion relevance criteria, (2) said plurality of promotions, and (3) at least one of said product purchase history information for said first consumer, demographics information about said first consumer, and exercised promotions exercised by said first consumer; and

said at least one processor, for storing, said first promotion and said second promotion in association with said first consumer identification information;

an output device, for providing, said first promotion and said second promotion to said first consumer;

at least one input device at a POS, for receiving, during a purchase transaction, said first consumer identification information, said first promotion, said second promotion, and product identifications of items of products being purchased;

said at least one processor, for determining, during said purchase transaction, a promotion qualification indicating if a first product item associated with said first promotion and a second product item associated with said second promotion have been received via said at least one input device at said POS during said purchase transaction; and

said at least one processor, for deducting, only if said promotion qualification indicates that both said first product item and said second product item were received via said at least one input device at said POS during said purchase transaction, from a charge for said purchase transaction a value of promotion associated with said second promotion and a value of promotion associated with said first promotion.

24.-26. (Canceled).

27. A computer readable medium containing program instructions for execution on a computer system, which when executed by the computer system, cause the computer system to perform the method recited in claim 1.

28.-35. (Canceled).

36. The method of claim 1 wherein said providing comprises displaying together said first promotion with said second promotion.

37.-43. (Canceled).

44. The system of claim 23 wherein said providing comprises displaying together said first promotion with said second promotion.

45.-47. (Canceled).

48. The system of claim 23 wherein said providing comprises displaying together said first low relevance promotion with said second promotion.

49.-64. (Canceled).